IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re patent application of:)	
)	Before the Examiner
Lawrence P. Bush)	Martin A. Gottschalk
)	
Serial No. 09/930,418)	
)	Group Art Unit 3694
Filed: August 15, 2001)	
)	
INSURANCE CLAIM)	
PAYMENT CARD SYSTEM)	February 7, 2008

APPEAL BRIEF

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450
Dear Sir:

Appellant herewith respectfully presents a Brief on Appeal as follows:

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1.   <u>REAL PARTY IN INTEREST</u>

The real party in interest is Meridian Enterprises Corporation having a corporate address

of 951 Hornet Drive, Hazelwood, Missouri 63042-2309.

2.   RELATED APPEALS AND INTERFERENCES

Appellant and the undersigned attorney are not aware of any other appeals or interferences which will directly affect or be directly affected by or having a bearing on the Board's decision in the pending appeal.

3.   STATUS OF CLAIMS

Claims 1-4 and 6-32 are currently pending in the present application, of which claims 21-25 and 30-32 have been withdrawn from consideration and claims 1-4, 6-20 and 26-29 are the claims on appeal. See, Claims Appendix.

Claims 1-4, 7-20, 26, 27 and 29 stand finally rejected under 35 U.S.C. §103(a) as being unpatentable over Appellant's admitted prior art (hereinafter "APA") in view of U.S. Patent No. 6,615,190 to *Slater* and further in view of U.S. Patent Publicaiton No. 2003/0018550 to *Rotman* et al.

Claims 6 and 28 stand finally rejected under 35 U.S.C. §103(a) as being unpatentable over Appellant's admitted prior art (hereinafter "APA"), U.S. Patent No. 6,615,190 to *Slater* and U.S. Patent Publication No. 2003/0018550 to *Rotman* et al. as applied to independent claim 1, and in further view of U.S. Patent No. 5,717,595 to *Cherrington*.

Claim 5 has been previously cancelled from the present application.

4.   <u>STATUS OF AMENDMENTS</u>

Appellant filed an after final request for reconsideration under 37 C.F.R. §1.116 in response to a Final Office Action dated March 23, 2007. The request for reconsideration contained an amendment to independent claim 29, which was entered by Examiner Gottschalk into the record.

5.   SUMMARY OF THE CLAIMED SUBJECT MATTER

As illustrated in FIG. 1 and claimed by independent claim 1, a method for administering insurance claims comprises a step 10 for receiving a claim; a step 40 for determining a monetary value of said claim; a step 50 for issuing a card representing an account; a step 60 for funding said account with at least a portion of said monetary value; a step 80 for monitoring the activity of said account to obtain information regarding usage of said card; and a step 100 for analyzing said information to determine trends in said usage of said card. See, *U.S. Patent Application Serial No. 09/930,418* at pages 7-14.

As illustrated in FIG. 1 and claimed by independent claim 26, a method for paying insurance claims comprises a step 10 for receiving a claim from a third party claimant; a step 40 for determining a monetary value of said claim; a step 50 for issuing a card to said third party claimant, said card being associated with an account; a step 60 for funding said account with at least a portion of said monetary value; a step 80 for obtaining information relating to the usage of said card by said third party claimant; a step 90 for organizing said information in a database; and a step 100 for analyzing said organized information to determine characteristics in said usage of said card. See, *U.S. Patent Application Serial No. 09/930,418* at pages 7-14.

As illustrated in FIG. 1 and claimed by independent claim 29, a method for method for administering insurance claims comprises a step 10 for receiving a plurality of claims; a step 40 for determining monetary values for each of said plurality of claims; a step 50 for issuing cards representing accounts; a step 60 for funding said accounts with said monetary values; a step 80 for monitoring the activity of said card accounts to obtain information relating to the usage of said cards; and a step 100 for analyzing said information on a card by card basis to determine

trends in said usage of said cards. <u>See</u>, *U.S. Patent Application Serial No. 09/930,418* at at pages

7-14.

6.   <u>GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL</u>

Appellant appeals the final rejection of claims 1-4, 7-20, 26, 27 and 29 under 35 U.S.C. §103(a) as being unpatentable over Appellant's admitted prior art (hereinafter "APA") in view of U.S. Patent No. 6,615,190 to *Slater* and further in view of U.S. Patent Publicaiton No. 2003/0018550 to *Rotman* et al.

Appellant appeals the final rejection of claims 6 and 28 under 35 U.S.C. §103(a) as being unpatentable over Appellant's admitted prior art (hereinafter "APA"), U.S. Patent No. 6,615,190 to *Slater* and U.S. Patent Publication No. 2003/0018550 to *Rotman* et al. as applied to independent claim 1, and in further view of U.S. Patent No. 5,717,595 to *Cherrington*.

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7.   ARGUMENT

A.   **35 U.S.C. §103(a) Rejections of Claims 1-4, 6-20, and 26-29**

The final rejection of claims 1-4, 6-20 and 26-29 is premised on Examiner Gottschalk's

respectful assertion that *APA* and *Slater* in combination explicitly discloses limitations (a)-(e) of

independent claims 1, 26 and 29, and Examiner Gottschalk's respectful concession that *APA* and

Slater in combination fail to explicitly disclose "(f) analyzing said information to determine

trends in said usage of said card" as recited in independent claim 1; "(f) analyzing said

organized information to determine characteristic in said usage of said card" as recited in

independent claim 26; and "(f) analyzing said information on a card by card basis to determine

trends in said usage of said cards" as recited in independent claim 29, and that the

aforementioned limitations (f) of independent claims 1, 26 and 29 are well known in the art as

evidenced by the teachings of *Rotman*. From this premise, Examiner Gottschalk respectfully

concludes that it would have been obvious to one of ordinary skill in the art at the time of the

invention of independent claims 1, 26 and 29 to incorporate the teachings of *Rotman* with the

collective disclosure of *APA* and *Slater* with the motivation of using purchase data to

demonstrate industry-wide trends in near real-time.

B.   *Rotman*.

The Appellant respectfully asserts that a careful review of *Rotman* however reveals the

failure of *Rotman* to teach or suggest the aforementioned limitations (f) of independent claims 1,

26 and 29. Specifically, the inventive principles of *Rotman* are directed to addressing a need for

systems that use aggregate payor information that is not personally identifiable to any payor or payors to thereby generate real-time market information predictions. See, *Rotman* at paragraph [0014]. In this context, *Rotman* subsequently describes and illustrates a system and method for using aggregate payor information that IS NOT personally identifiable to any payor or payors to thereby generate real-time market information predictions. In particular, as shown in FIG. 1C, *Rotman* explicitly teaches steps 144 and 146 for respectively normalizing and scaling transactional data collected during a step 142 that IS NOT personally identifiable to any payor or payors whereby real-time market information predictions can be generated in a step 148. See, *Rotman* at paragraph [0053]-[0057]. This is further evidenced by species embodiments of step 144 shown in FIGS. 3A-3E and species embodiments of step 146 shown in FIGS. 4A-4D.

For example, *Rotman* explicitly teaches the normalization of the collected transactional data that IS NOT personally identifiable to any payor or payors based on either (1) an aggregate total dollar amount divided by an average number of accounts as shown in a step 308 of FIG. 3A, (2) an aggregate total dollar amount divided by a sum of all transactions as shown in a step 318 of FIG. 3B, (3) an aggregate total dollar amount divided by an average outstanding account balance as shown in a step 328 of FIG. 3C, or (4) an aggregate total dollar amount divided by an average outstanding account balance on a demographic basis as shown in steps 344-348 of FIG. 3D. See, *Rotman* at paragraphs [0062]-[0069]. *Rotman* further explicitly teaches the use of these normalizations of the collected transactional data during a step 368 shown in FIG. 3E to obtain a real-time performance prediction. See, *Rotman* at paragraphs [0070] and [0071].

By further example, *Rotman* explicitly teaches the scaling of the normalized transactional data that IS NOT personally identifiable to any payor or payors based on either (1) the

normalized transactional data divided by an average ratio of normalized results to actual reveune as shown in a steps 406-410 of FIG. 4A, (2) the use of a formulated regression equation to calculate predicted revenue as a function of normalized transactional data as shown in steps 414-420 of FIG. 4B, (3) an application of a best fit model to normalized transactional data as shown in steps 422-430 of FIG. 4C, or (4) a use of predicted data as a function of normalized transactional data as shown in steps 440-448 of FIG. 4D. See, *Rotman* at paragraphs [0071]-[0075].

In conclusion, when properly read in its entirety, the Appellant respectfully asserts that *Rotman* actually teaches away from a system that uses "individual payor information that is personally identifiable" to generate real-time information predictions to thereby fulfill a need declared by *Rotman* for using aggregate payor information that IS NOT personally identifiable to any payor or payors in the generation of real-time information predictions. In particular, *Rotman* teaches away from any type of analysis of individual payor information to determine trends in a usage of a personally identifiable card as encompassed by the scope of "(f) analyzing said information to determine trends in said usage of said card" as recited in independent claim 1; "(f) analyzing said organized information to determine characteristic in said usage of said card" as recited in independent claim 26; and "(f) analyzing said information on a card by card basis to determine trends in said usage of said cards" as recited in independent claim 29.

C.   Obviousness.

Obviousness in this case is a question of law based on underlying factual inquiries of (1) determining the scope and content of *APA*, *Slater* and *Rotman*, (2) ascertaining the differences

between claims 1-4, 6-20 and 26-29 and *APA*, *Slater* and *Rotman*; and (3) resolving the level of ordinary skill in the pertinent art of insurance claim processing. From the factual inquires, the focus on making a determination of obviousness should be on what a person of ordinary skill in the pertinent art of insurance claim processing would have known from the combination *APA*, *Slater* and *Rotman* at the time of the invention of claims 1-4, 6-20 and 26-29 and on what such a person would have reasonably expected to have been able to do in view of the knowledge from the combination *APA*, *Slater* and *Rotman*. See, MPEP 2141.

In view of the facts that (1) *Rotman* unequivocally teaches away from a system that uses "individual payor information that is personally identifiable" to generate real-time information predictions as previously established in paragraph 7(B) herein and (2) personally identifiable payor information on an individual basis clearly would have been important to a person of ordinary skill in the pertinent art of insurance claim processing at the time of the invention of claims 1-4, 6-20 and 26-29, the Appellant respectfully asserts that a person of ordinary skill in the pertinent art of insurance claim processing would not have been expected to combine *APA*, *Slater* and *Rotman* in order to invent claims 1-4, 6-20 and 26-29 at the time of the invention of claims 1-4, 6-20 and 26-29. In particular, none of the techniques for normalizing and scaling collected transaction data on an aggregate basis as taught by *Rotman* would have been relevant, important or otherwise applicable to a person of ordinary skill in the pertinent art of insurance claim processing in terms of "(f) analyzing said information to determine trends in said usage of said card" as recited in independent claim 1; "(f) analyzing said organized information to determine characteristic in said usage of said card" as recited in independent claim 26; and "(f)

analyzing said information on a card by card basis to determine trends in said usage of said cards" as recited in independent claim 29.

In summary, Examiner Gottschalk's respectful concedes that *APA* and *Slater* in combination fail to explicitly disclose the respective limitations (f) of independent claims 1, 26, and 29. Furthermore, as proven herein, the combination of *APA*, *Slater* and *Rotman* also fails to teach or suggest or otherwise render obvious the respective limitations (f) of independent claims 1, 26, and 29.

D.   Allowance of Claims 1-4, 6-20 and 26-29 As a Single Group.

The Appellant respectfully traverses the obviousness rejection of independent claims 1, 26 and 29, because the combination of *APA*, *Slater* and *Rotman* fail to render obvious "(f) analyzing said information to determine trends in said usage of said card" as recited in independent claim 1; "(f) analyzing said organized information to determine characteristic in said usage of said card" as recited in independent claim 26; and "(f) analyzing said information on a card by card basis to determine trends in said usage of said cards" as recited in independent claim 29. Withdrawal of the rejection of independent claims 1, 26 and 29 under 35 U.S.C. §103(a) as being unpatentable over *APA* in view of *Slater* and in further view of *Rotman* is therefore respectfully requested.

Claims 2-4 and 6-20 depend from independent claim 1. Therefore, dependent claims 2-4 and 6-20 include all of the elements and limitations of independent claim 1. It is therefore respectfully submitted by the Applicant that dependent claims 2-4 and 7-20 are allowable over *APA* in view of *Slater* and in further view of *Rotman* and dependent claim 6 is allowable over

APA in view of *Slater* and *Rotman* and in further view of *Cherrington* for at least the same reason as set forth herein with respect to independent claim 1 being allowable over *APA* in view of *Slater* and in further view of *Rotman*. Withdrawal of the rejection of dependent claims 2-4 and 7-20 under 35 U.S.C. §103(a) as being unpatentable over *APA* in view of *Slater* and in further view of *Rotman* and withdrawal of the rejection of dependent claim 6 under 35 U.S.C. §103(a) as being unpatentable over *APA* in view of *Slater* and *Rotman* and in further view of *Cherrington* are therefore respectfully requested.

Claims 27 and 28 depend from independent claim 26. Therefore, dependent claims 27 and 28 include all of the elements and limitations of independent claim 26. It is therefore respectfully submitted by the Applicant that dependent claims 27 is allowable over *APA* in view of *Slater* and in further view of *Rotman* and dependent claim 28 is allowable over *APA* in view of *Slater* and *Rotman* and in further view of *Cherrington* for at least the same reason as set forth herein with respect to independent claim 26 being allowable over *APA* in view of *Slater* and in further view of *Rotman*. Withdrawal of the rejection of dependent claim 27 under 35 U.S.C. §103(a) as being unpatentable over *APA* in view of *Slater* and in further view of *Rotman* and withdrawal of the rejection of dependent claim 28 under 35 U.S.C. §103(a) as being unpatentable over *APA* in view of *Slater* and *Rotman* and in further view of *Cherrington* are therefore respectfully requested.

For the foregoing reasons, Appellant submits that claims 1-4, 6-20 and 26-29 in condition for allowance. Appellant respectfully requests reconsideration and a speedy passage of this application to allowance. If there are any remaining issues that can be addressed telephonically, the Examiner is invited to contact the undersigned.

Respectfully submitted,

By:_____

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1.   A method for administering insurance claims, comprising the steps of:

    (a)   receiving a claim;

    (b)   determining a monetary value of said claim;

    (c)   issuing a card representing an account;

    (d)   funding said account with at least a portion of said monetary value;

    (e)   monitoring the activity of said account to obtain information regarding usage of said card; and

    (f)   analyzing said information to determine trends in said usage of said card.

2.   The method according to claim 1, wherein said trends comprise purchase trends.

3.   The method according to claim 1, further comprising the step of:

    (g) analyzing said information to determine the accuracy of said determining said monetary value.

4.   The method according to claim 1, wherein said card account is a debit card account.

6.   The method according to claim 1, wherein said usage of said card reflects the payment of an actual repair cost of a vehicle and further comprising the step of:

    (g) comparing said determined monetary value of said claim to said actual repair cost of said vehicle.

7.   The method according to claim 1, wherein said claim relates to an automobile accident.

8.   The method according to claim 1, wherein said claim relates to medical treatment.

9.   The method according to claim 1, wherein said claim relates to death benefits.

10.   The method according to claim 1, wherein said claim relates to property damage.

11.   The method according to claim 1, wherein said claim relates to property loss.

12.   The method according to claim 1, wherein said claim relates to theft.

13.   The method according to claim 1, wherein the information obtained in step (e) includes a time of usage of said card.

14.   The method according to claim 1, wherein the information obtained in step (e) includes a monetary amount related to said usage of said card.

15.   The method according to claim 1, wherein the information obtained in step (e) includes a place of usage of said card.

16.   The method according to claim 1, wherein the information obtained in step (e) includes a time, place, and amount of each occurrence of usage of said card.

17.   The method according to claim 1, further comprising the step of:

        (g)   closing said account after a predetermined amount of time.

18.   The method of claim 17, further comprising the step of:

        before step (g), disbursing any balance remaining in said account.

19.   The method of claim 1, wherein said card account is managed by a third party claim service provider.

20.   The method of claim 1 wherein said card account is managed by an insurance company.

26.   A method for paying insurance claims, comprising the steps of:

        (a)   receiving a claim from a third party claimant;

        (b)   determining a monetary value of said claim;

        (c)   issuing a card to said third party claimant, said card being associated with an account;

        (d)   funding said account with at least a portion of said monetary value;

        (e)   obtaining information relating to the usage of said card by said third party claimant; and

(e)   organizing said information in a database; and

(f)   analyzing said organized information to determine characteristics in said usage of said card.

27.   The method according to claim 26, further comprising the steps of:

(g)   identifying statistically significant trends in said organized information; and

(h)   evaluating the accuracy of said monetary value determination.

28.   The method according to claim 27, further comprising the step of:

(i)   modifying said determining said monetary value in response to said evaluated accuracy of said monetary value determination.

29.   A method for administering insurance claims, comprising the steps of:

(a)   receiving a plurality of claims;

(b)   determining monetary values for each of said plurality of claims;

(d)   issuing cards representing accounts;

(e)   funding said accounts with said monetary values;

(e)   monitoring the activity of said card accounts to obtain information relating to the usage of said cards; and

(f)   analyzing said information on a card by card basis to determine trends in said usage of said cards.

EVIDENCE APPENDIX

None.

RELATED PROCEEDINGS APPENDIX

None.